

## Policy 1.18 Governance

## Chief Executive Office Performance Review

### Reference/s

Local Government Act 1995 (s5.8, 5.9, 5.10)  
Shire of Cranbrook Corporate Business Plan 2021-2025  
Shire of Cranbrook Strategic Community Plan 2021-2031

### Date Proposed/Adopted

14 December 2022

### Motion Number

06122022

Reviewed	20 March 2024
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### ***This policy supports the delivery of the Shire of Cranbrook Vision***

*That the Shire of Cranbrook is a proactive, sustainable, safe, friendly and prosperous place to be*

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### **PURPOSE**

Procedure for the review process for the Chief Executive Officer

### **SCOPE**

Chief Executive Officer, Elected members

### **OBJECTIVE**

This policy is to provide a consistent, transparent, and accountable performance review process for the Chief Executive Officer (CEO) of the Shire of Cranbrook.

### **RATIONALE**

This process is documented and adopted by Council to ensure a consistent approach to the Shire of Cranbrook CEO performance review.

The review process must be a collaborative, constructive process that is designed to enhance performance and provide guidance for the ensuing twelve months, using the Shire's agreed Strategic Plan and/or Business Plan.

Councillors must be prepared to take a corporate view of the process. The performance review process should be regarded as an opportunity to build relationships and to increase the effectiveness of individuals, systems and processes which will improve the performance and the profile of the Shire of Cranbrook.

The panel is to consist of three Councillors inclusive of the Shire President.

Councillors participating in the review must:

- Show an ability to be fair and objective;
- Use good communication skills;
- Possess preparation and evaluation skills;
- Avoid bias;
- Be able to concentrate on outcomes;
- Provide negotiation skills

## **REVIEW PERIOD**

It is a statutory requirement that the CEO's performance is reviewed annually (Part 5, Division 4, Section 5.38, Local Government Act 1995).

The review period is to be aligned to the CEO's employment contract period.

In the event that Council has concerns about the performance of the CEO, the President will, at the request of Council, request the CEO Performance Review Panel undertake an interim 6 month performance review.

The President must write to the CEO if Council has requested an interim performance review, outlining the areas of concern to allow the CEO the opportunity to prepare.

Composition of the Review Panel

The CEO performance review panel will consist of:

- The Shire President; and
- Two (2) Councillors nominated by resolution of Council.

If the panel have concern about the CEO, the panel may request the process to be facilitated by an independent facilitator, appointed by a resolution of Council.

All Councillors seeking appointment to the CEO review panel have the opportunity to undertake the relevant CEO performance review training course provided by WALGA (but not essential); it is important for those actually involved in the appraisal interview to feel comfortable with their skill level and role.

## **CEO KEY PERFORMANCE INDICATORS (KPIs)**

The CEO KPIs:

- Must refer to the Community Strategic Plan and/or Corporate Business Plan.
- Must mirror the expectations of Council and Community.
- Be reviewed annually and then agreed between the CEO and the Council after each review period.
- Once agreed upon, the KPIs shall not be changed.

## **PROCEDURE FOR THE REVIEW OF THE CEO**

1. The CEO performance review panel to set the review procedure and timeline requirements for each year. Review panel will agree with CEO on key focus areas and conduct a preliminary interview at the beginning of the cycle (endorsement of review).
2. Notification of all parties by the review panel of the review procedure, timeline requirements and any other relevant information such as the independent, external facilitator.
3. CEO to provide a self-assessment to all elected members. The CEO must provide the self-assessment in a written report format as a minimum but may also provide it in other formats of their choice.
4. CEO performance assessment survey issued to all Councillors, if any specific focus areas or key performance indicators (KPI's) are identified in the performance review.

5. Review panel will conduct an appraisal interview with the CEO. Review panel must then assess performance inclusive of feedback from all Councillor and CEO self-assessment document and appraisal (assessment summary).

Council and CEO to determine:

- a) agreed specific focus areas or KRA's for next 12 month Review Period; and
  - b) subject to outcome of the CEO performance review, any amendments of the CEO's employment remuneration package.
  - c) any recommended changes to process over the next 12 months.
6. Review panel will share the performance review findings with full Council in a briefing session.
  7. Full report must be distributed to all Elected Members and the CEO.
  8. The President is to hold the record of the performance review. All documents relating to the review process must be registered on the Shire of Cranbrook's records management system.